

1 Do you have the document, Mr. Reporter? He is nodding yes.

2 (The document referred to was
3 marked for identification as
4 Reading Exhibit No. 43.)

5 THE COURT REPORTER: Yes.

6 JUDGE SIPPEL: All right. Is there any objection?

7 MR. COLE: Well, Your Honor, Mr. Fickinger is
8 going to be here to testify. And rather than put his
9 deposition transcript in, I would just propose we leave the
10 deposition out and Mr. Hutton can ask him the same questions
11 again if he wants or ask him different questions as he
12 wishes. That was the -- my understanding of your ruling
13 with respect to Adams proposal to offer the deposition
14 testimony of Mr. Linton and Mr. McCracken in Phase 1. And
15 it would certainly be consistent.

16 JUDGE SIPPEL: Well, didn't we talk about this on
17 the first --

18 MR. COLE: We talked about Umans -- you talked
19 about Umans and Haag because I had indicated that I was
20 going to put Mr. Fickinger on the stand myself as a direct
21 witness.

22 JUDGE SIPPEL: Oh.

23 MR. COLE: I had not indicated I was going to put
24 Mr. Haag or Mr. Umans on the stand. But since Mr. Hutton
25 had put their depositions in --

1 JUDGE SIPPEL: All right.

2 MR. COLE: -- at least as there is direct case
3 exchange, it seemed to me that as a matter of fairness, he
4 should be entitled at least to put the depositions in or
5 rely on them to that extent for his direct testimony.

6 JUDGE SIPPEL: All right. Well, I agree with
7 that. He is going to -- Mr. Fickinger is going to be here -
8 -

9 MR. COLE: Yes.

10 JUDGE SIPPEL: -- if I allow him. And you are
11 going to have the chance to cross examine him. And this is
12 the same ruling that I did make with respect to some Reading
13 witnesses who are principals. Am I correct?

14 MR. COLE: That was my understanding of your
15 ruling about Mr. McCracken and Mr. Linton, yes.

16 JUDGE SIPPEL: It was. So I am going to do the
17 same thing here. I am going to -- I am not going to receive
18 it into evidence today. But I am not going to exclude its
19 use with respect to the cross examination of Mr. Fickinger
20 obviously. So right now I am going to just -- I'm just
21 going to pass on that. I make no ruling with respect to the
22 deposition of Fickinger today.

23 MR. HUTTON: That's fine. Thank you, Your Honor.

24 JUDGE SIPPEL: Now, the next one is the deposition
25 of Mr. Haag. Is that right?

1 MR. HUTTON: That's right. It is identified as
2 Reading Exhibit 44. And it consists of 108 pages.

3 JUDGE SIPPEL: The same objection there?

4 MR. COLE: No, Your Honor. In light of our
5 conversations earlier on, it would be unseemly it seems to
6 me for me to object to that. No, as I said, I am not
7 calling Mr. Haag. I am not going to put Mr. Haag on the
8 stand.

9 JUDGE SIPPEL: Okay.

10 MR. COLE: I had not planned to at least. In the
11 event that Mr. Hutton wants to put Mr. Haag's deposition in,
12 it seems to me he can be allowed to do so. And if I see any
13 need to bring Mr. Haag in to cross examine him, I will.

14 JUDGE SIPPEL: All right. Then it is received
15 into evidence. The one hundred and eight-page deposition of
16 Mr. Haag comes in as Reading Exhibit 44. All right. Is
17 that it?

18 (The document referred to was
19 marked for identification as
20 Reading Exhibit No. 44 and
21 received in evidence.)

22 MR. HUTTON: Reading Exhibit 45 is an excerpt from
23 the deposition of A.R. Umans who is also a principal of
24 Adams. And it consists of I believe eight pages. Yes.

25 JUDGE SIPPEL: Does the Reporter have that? It's

1 in the next volume, Volume 3, the first document in Volume
2 3. The Reporter will so mark that document. That is an
3 eight-page document. Is that correct?

4 MR. HUTTON: Yes.

5 JUDGE SIPPEL: The Reporter will so mark that
6 document as Reading Exhibit 45 for identification. And I
7 take it now there is no objection to this one, right?

8 MR. COLE: Same response as with Haag.

9 JUDGE SIPPEL: Okay. So then the Reporter is
10 marking it now and that will be received in evidence at this
11 time as Reading's Exhibit Number 45. All right. Does that
12 conclude Reading's exhibits?

13 (The document referred to was
14 marked for identification as
15 Reading Exhibit No. 45 and
16 received in evidence.)

17 MR. HUTTON: Yes, it does.

18 JUDGE SIPPEL: Thank you very much. Okay. Mr.
19 Cole, what color are we on now?

20 MR. COLE: We are on blue, blue with very
21 attractive lime-green or possibly yellow label on the front
22 and on the spine. The label bears the legend, "Adams
23 Communications Corporation Phase 3 Exhibits." And this
24 notebook contains individually -- 15 individually tabbed
25 items which I will -- I believe it is 15 which I -- or

1 possibly 16 which I will describe for the record right now
2 if Your Honor prefers.

3 JUDGE SIPPEL: You mean taking them one at a time.

4 MR. COLE: Taking them one at a time, yes,
5 exactly.

6 JUDGE SIPPEL: All right. Is it going to be as
7 a -- I am going to ask Mr. Hutton, have you had a chance to
8 review these to the extent that you can tell us whether or
9 not there is going to be some objection, no objection, a lot
10 of --

11 MR. HUTTON: Mr. Southard is handling this part of
12 the case primarily. Let me turn it over to him.

13 MR. SOUTHARD: Your Honor, I'm sorry. I had read
14 your initial order as indicating that we would begin Phase 3
15 with an admission session. So I quite frankly have not gone
16 through Adams' Phase 3 exhibits with an eye toward
17 objections.

18 JUDGE SIPPEL: Oh, I thought I -- well, maybe I
19 didn't. I didn't mean it that way. Maybe I -- well, you
20 haven't had a chance to review them for objections. So we
21 are going to have to defer on it then.

22 MR. SOUTHARD: It's -- yes, I'm sorry. I am
23 referring to your ruling on FCC 00M28, and as a reference,
24 page 3, footnote 9, "The beginning of Phase 3 shall commence
25 with an admission session." "There will be a one-day break

1 after the conclusion of Phase 2 unless it ends on a Friday.
2 The beginning of Phase 3 shall commence with an admission
3 session."

4 JUDGE SIPPEL: All right. Well, let's get them
5 marked and --

6 MR. SOUTHARD: Perhaps I can --

7 JUDGE SIPPEL: I was going to say, as we are
8 marking them, maybe you will -- there are some that you
9 won't have any objections to. Okay. I guess I wasn't
10 anticipating that this was going to move along quite this
11 smoothly.

12 MR. COLE: Aw shucks, Your Honor.

13 MR. HUTTON: Notwithstanding what you've heard,
14 we do talk to each other civilly.

15 JUDGE SIPPEL: All right. I'm learning every day.
16 Let's start with Number 62.

17 MR. COLE: Your Honor, I would like to have marked
18 for identification as Adams Number 62 a document two pages
19 in length entitled, "Memorandum", addressed to Howard N. --
20 as in Norman -- Gilbert from Harry F. Cole dated August 15,
21 1991. I would like that to be marked Adams Number 62.

22 JUDGE SIPPEL: The Reporter will so mark that
23 document for identification as Adams 62.

24 (The document referred to was
25 marked for identification as

1 Adams Exhibit No. 62.)

2 MR. COLE: And do you want me to wait five minutes
3 or --

4 MR. SOUTHARD: I'm sorry. Your Honor, I don't
5 recall having seen this before. But I don't believe it was
6 produced to us during discovery. And I guess my first
7 reaction would be to question its authenticity. If he wants
8 -- at this point, I am not willing to stipulate to its
9 admissibility.

10 JUDGE SIPPEL: All right. Well, let's -- I am
11 going to reserve ruling on it. And either as a -- well, I
12 am going to ask you at the opening of Phase 3 whether or not
13 we can get them in really quickly. Otherwise, we will just
14 have to do it through a witness, either way. All right.
15 I'll reserve ruling. Do you have that, Mr. Reporter?
16 Sixty-two is identified as a two-page document. But there
17 is going to be no ruling on its receipt and evidence today.
18 Sixty-three.

19 (The document referred to was
20 marked for identification as
21 Adams Exhibit No. 63.)

22 MR. COLE: Sixty-three is a document 31 pages in
23 length which consists of a letter one page in length dated
24 August 31, 1993 from Harry F. Cole to Howard N. Gilbert. It
25 is then accompanied by a 30-page document which consists of

1 a one-page transmittal letter from the Media Access Project
2 to the Federal Communications Commission which in turn
3 transmitted a set of comments over the Center for the Study
4 of Commercialism which were filed by Media Access Project in
5 docket number 93-8. I would like to have that marked, all
6 31 pages of that marked as Adams Number 63.

7 JUDGE SIPPEL: Those 31 pages are marked as Adams
8 63 for identification.

9 MR. SOUTHARD: No, objection, Your Honor, subject
10 to obviously the right to introduce rebuttal exhibits.

11 JUDGE SIPPEL: You always have the right to ask to
12 do that.

13 MR. SOUTHARD: Yes, sir. I just wanted to make it
14 clear.

15 JUDGE SIPPEL: No, that's fine. And Exhibit 63 as
16 identified by Mr. Cole is received in evidence at this time
17 as Adams Exhibit 63. And Mr. Southard will have an
18 opportunity to request rebuttal documents at an appropriate
19 time. Your next one, 64.

20 (The document referred to was
21 marked for identification as
22 Adams Exhibit No. 63 and
23 received in evidence.)

24 MR. COLE: Your Honor, if I could, I would like to
25 have marked for identification as Adams Number 63 a -- I'm

1 sorry, Number 64 a 62-page document consisting of one
2 transmittal letter dated April 28, I believe it is, 1993
3 from Media Access Project to the Secretary of the FCC. And
4 that letter transmitted a set of reply comments filed by
5 Media Access Project in MM Docket 93-8 on April 27, 1993. I
6 would like to have that marked for identification as Adams
7 Number 64.

8 JUDGE SIPPEL: Okay. The Reporter will so mark
9 this document as Adams 64 for identification. And, Mr.
10 Southard?

11 MR. SOUTHARD: I'm sorry. Mr. Cole, is this --
12 well, we're just missing what was previously marked as your
13 Exhibit 3 -- Phase 3 Exhibit 3.

14 MR. COLE: Sixty-three.

15 MR. SOUTHARD: We haven't put the -- we don't have
16 your -- yes, new numbers.

17 MR. COLE: Well, I'm not sure why I did that.
18 Number 3 I believe is the reply comments of Media Access
19 Project, counsel for CFC.

20 MR. SOUTHARD: No objection.

21 JUDGE SIPPEL: It is received in evidence as Adams
22 Exhibit 64, the 62-page document. Sixty-five?

23 (The document referred to was
24 marked for identification as
25 Adams Exhibit No. 64 and

1 received in evidence.)

2 MR. COLE: Your Honor, I would like to have marked
3 for identification as Adams Number 65 an 18-page document
4 consisting of first a letter from Harry F. Cole to Howard N.
5 Gilbert dated September 1, 1993 and accompanying that, a
6 petition for reconsideration filed by Media Access Project
7 with the FCC, MM Docket Number 93-8. I would like to have
8 the whole package, 18 pages in length, marked for
9 identification as Adams 65.

10 JUDGE SIPPEL: Okay. The Reporter will so mark
11 that document as Adams Exhibit 65 for identification. Is
12 there any objection?

13 MR. SOUTHARD: No objection, Your Honor.

14 JUDGE SIPPEL: It is received in evidence as Adams
15 Number 65.

16 (The document referred to was
17 marked for identification as
18 Adams Exhibit No. 65 and
19 received in evidence.)

20 MR. COLE: Thank you, Your Honor. Next I would
21 like to have marked for identification as Adams Number 66 a
22 six-page document consisting of a one-page letter dated July
23 16, 1993 from Harry F. Cole to Howard N. Gilbert,
24 accompanied by a number of materials, five separate pages of
25 materials which I can describe for the record if you would

1 like. But as you wish, Your Honor, if you would like me to
2 describe these to you.

3 JUDGE SIPPEL: Well, can you just give a general
4 description?

5 MR. COLE: Sure. The page -- page 2 is a listing
6 of television stations licensed to subsidiaries of the Home
7 Shopping Network. Page number 3 is a public notice from the
8 FCC dated July 2 -- it is "199", and the forth digit is not
9 available on the copy I have. But I believe the rest of the
10 context will indicate it is 1993, the public notice news
11 release from the FCC summarizing the FCC's decision on Home
12 Shopping.

13 There also was accompanied -- that public notice
14 in turn was accompanied by what is now page 4, page 5 and
15 page 6 which are separate statements, the separate statement
16 of Commissioner Andrew Barrett and the dissenting statement
17 of Irwin Duggin. All of these materials were transmitted to
18 Mr. Gilbert by me in connection -- accompanying the July 16
19 letter which is the first page of this document.

20 JUDGE SIPPEL: July 16, 1993.

21 MR. COLE: That's correct.

22 JUDGE SIPPEL: All right. The Reporter will so
23 mark that document for identification as Adams Exhibit
24 Number 66. Is there an objection?

25 MR. COLE: No objection.

1 JUDGE SIPPEL: It is received in evidence as Adams
2 66.

3 (The document referred to was
4 marked for identification as
5 Adams Exhibit No. 66 and
6 received in evidence.)

7 MR. COLE: Thank you, Your Honor.

8 JUDGE SIPPEL: And your next exhibit?

9 MR. COLE: I would like to have marked for
10 identification as Adams Number 67, a five-page document
11 entitled, "Dissenting Statement of Commissioner Irwin S.
12 Duggin." And this is I believe the context will show a more
13 extended descent by Commissioner Duggin, consistent with but
14 I believe supplemental to the descent which was included as
15 pages 5 and 6 of Adams Number 6. I would like to have that
16 marked for identification as Adams 67.

17 JUDGE SIPPEL: The Reporter will show that marked
18 for identification as Adams 67. Is there any objection?

19 (The document referred to was
20 marked for identification as
21 Adams Exhibit No. 67.)

22 MR. SOUTHARD: Yes, Your Honor. While I think I
23 can guess where Mr. Cole is going with this, it is not
24 apparent from the document what its application is going to
25 be or what its relevance to the testimony is going to be.

1 JUDGE SIPPEL: Okay. Can we have a proffer of
2 relevance?

3 MR. COLE: Yes, Your Honor. I am going to tie
4 that in through witness, Howard Gilbert. This is among the
5 materials which he reviewed. In 1993, it was obtained from
6 the FCC at his request. And it was sent to him, he reviewed
7 it and it influenced his thinking with respect to Home
8 Shopping.

9 JUDGE SIPPEL: Well, that is a pretty straight
10 forward proffer. It is not a contentious document.

11 MR. SOUTHARD: And subject to Mr. Gilbert so
12 testifying that he received this, I don't have any
13 objection.

14 JUDGE SIPPEL: All right. Well, I will reserve
15 receiving it then on that basis. You want it authenticated
16 through the witness that he actually received it and et
17 cetera. Okay. Reserve on this -- reserve on 67. But it is
18 marked for identification as Adams 67 as described by Mr.
19 Cole. Next document.

20 MR. COLE: Your Honor, I would like to have marked
21 for identification as Adams 68 a one page letter dated June
22 29, 1994 from Robert L. Haag to Conestoga Telephone and
23 Telegraph Company. I would like to have that marked as
24 Adams 68.

25 JUDGE SIPPEL: That is how many -- that is a one-

1 page document. That will be marked as Adams Exhibit 68 for
2 identification. Any objection?

3 (The document referred to was
4 marked for identification as
5 Adams Exhibit No. 68.)

6 MR. SOUTHARD: Well, Your Honor, I note that there
7 are some blanks here. And in the second paragraph, the
8 dollar amounts are missing.

9 JUDGE SIPPEL: I see that.

10 MR. SOUTHARD: And there is -- in the third
11 paragraph, there is a percentage.

12 JUDGE SIPPEL: Are they redacted or are they
13 just --

14 MR. COLE: They were redacted, Your Honor.

15 JUDGE SIPPEL: Why are they redacted?

16 MR. COLE: Because they are financial information.
17 At the time we turned this over, it was my understanding we
18 were not under obligation to disclose financial information.

19 MR. SOUTHARD: Conestoga has provided us with
20 complete documents. Mr. Cole has a whole copy.

21 JUDGE SIPPEL: So you would be in a position to
22 confront the witness with the same documents with the
23 numbers in. Is that right?

24 MR. SOUTHARD: Certainly. I guess at this point
25 my request would be that we substitute the complete document

1 for his redacted version.

2 JUDGE SIPPEL: You might as well. I certainly
3 would stop my cross examination if they have that evidence.

4 MR. COLE: As you wish, Your Honor.

5 JUDGE SIPPEL: So why don't we substitute the --
6 as Mr. Southard has suggested, just substitute a completed
7 document with the June 29 letter. And subject to that being
8 done, I am going to receive it into evidence. Is that
9 correct, you have no objection with it being a complete
10 document?

11 MR. SOUTHARD: No, Your Honor.

12 JUDGE SIPPEL: Then I will receive it into
13 evidence and, of course, subject to it being clarified as I
14 have indicated. That is Number 68, the one-page letter.
15 And your next document?

16 (The document marked for
17 identification as Adams
18 Exhibit No. 68 was received in
19 evidence.)

20 MR. COLE: I would like to have marked for
21 identification, Your Honor, as Adams Number 69 a six-page
22 document entitled, "Restated Option Agreement" which is
23 between Conestoga Telephone and Telegraph Company and Adams
24 Communications Corporation.

25 THE COURT REPORTER: I'm sorry. What did you want

1 done with Number 68?

2 JUDGE SIPPEL: Sixty-eight is received in
3 evidence. But it is being received as subject to Mr. Cole's
4 substituting or supplementing it with a copy that has all
5 the blanks filled in. So 69 is a six-page letter and -- or
6 a six-page document rather. And you have identified that
7 already, Mr. Cole?

8 MR. COLE: I identified it as a restated option
9 agreement between Conestoga Telephone and Telegraph Company
10 and Adams Communications Corporation.

11 JUDGE SIPPEL: All right. That will be so marked
12 as Adams Exhibit Number 69. Any objection?

13 (The document referred to was
14 marked for identification as
15 Adams Exhibit No. 69.)

16 MR. SOUTHARD: The same objection as to the last
17 exhibit, Your Honor, on page 2, that the dollar amounts have
18 been redacted. And subject to this being substituted with
19 the complete document, we have no objection to it.

20 JUDGE SIPPEL: Do you have access to that
21 information, too?

22 MR. SOUTHARD: Oh, yes, yes.

23 MR. COLE: Oh, they've got all the stuff. I mean,
24 I am at something at a loss as to why this is a major point
25 because I am not sure the dollar numbers are relevant in any

1 event and they have them. But I am willing to accommodate
2 them if necessary. But --

3 JUDGE SIPPEL: Well, I mean, why is it such a
4 concern about the dollar amounts being redacted?

5 MR. SOUTHARD: Yes, Your Honor, I'm just -- at
6 this point, I would be more comfortable with a full
7 document, a complete document. And at this point, I am not
8 sure how the -- those numbers are going to come in. If we
9 can't substitute a complete document here -- and quite
10 frankly, I am at a loss to understand why it is a problem --
11 I will do it through cross examination.

12 JUDGE SIPPEL: Well, if it's -- I mean, if they
13 really are relevant -- it is not going to impact me one way
14 or the other it sounds unless there is something, you know,
15 that I should be focused on here for relevance purposes. I
16 mean, your comfort level is one thing, but relevance is
17 something else.

18 MR. SOUTHARD: Well, quite frankly, Your Honor, my
19 position is that the record should be complete. And since
20 it is not a privileged matter --

21 JUDGE SIPPEL: That's a good position. I -- look,
22 we are not trying to protect this. This is not some kind of
23 --

24 MR. COLE: Well, there was confidentiality
25 attached to it originally between Conestoga and Adams. As I

1 understand their understanding of it, there was some
2 confidentiality between the parties attached to the
3 documents. And Adams is not enthusiastic about putting all
4 the financial details in the arrangement with Conestoga on
5 the record.

6 Obviously, Conestoga as I understand it has
7 provided unredacted numbers. So the dollar figures are not
8 confidential anymore. But by the same token, I don't see
9 how they are relevant to the Adams' issue of Phase 3 here.
10 And I am not sure I heard why it is that those numbers are
11 relevant to anything -- any findings that might be written
12 in this case.

13 JUDGE SIPPEL: Well, I'm inclined to -- I
14 certainly favor Mr. Southard's approach. I mean, I applaud
15 putting it all into the record unless there is a good reason
16 not to. So why don't we substitute this one, also, with the
17 numbers. This is Number 69, right? Is that right?

18 MR. COLE: That's correct.

19 JUDGE SIPPEL: Sixty-nine is a six-page document.
20 It is marked for identification as you have identified it.
21 It is received in evidence subject to a complete document
22 being exchanged for what is there. And what I would ask you
23 to do, either Mr. Cole or Mr. Southard, I don't care --
24 well, it is Mr. Cole's exhibit -- is you can work with the
25 Reporter off the record. Just put the clean copy in and

1 take the one out that has got the holes in it. So that is
2 received in evidence at this time subject, of course, to the
3 complete document being on file. Okay. Number 70.

4 (The document marked for
5 identification as Adams
6 Exhibit No. 69 was received in
7 evidence.)

8 MR. COLE: Your Honor, I would like to have marked
9 for identification as Adams Number 70 a document 20 pages in
10 length entitled, "License/Lease Agreement", which is between
11 Conestoga Telephone and Telegraph Company and Adams
12 Communications Corporation. And I would like to have that
13 marked as Adams Number 70.

14 JUDGE SIPPEL: All right. The Reporter will so
15 mark that document. Is there any objection?

16 (The document referred to was
17 marked for identification as
18 Adams Exhibit No. 70.)

19 MR. SOUTHARD: Perhaps. And I phrase it that way
20 because again, as with the prior two exhibits, there appears
21 to be a redaction on page 4. However, at this point, I
22 can't say for certain that this blank didn't exist in the
23 original. I guess what I am saying is I don't know if this
24 is a redaction or if this is actually -- the original was
25 just missing a provision.

1 JUDGE SIPPEL: Well, the information that -- the
2 unredacted version of the first two documents, would that
3 clarify what is in this antenna license fee or is this --
4 are these different numbers?

5 MR. SOUTHARD: It appears to be different.

6 JUDGE SIPPEL: Can you shed any light on this, Mr.
7 Cole?

8 MR. COLE: No, Your Honor. I'm sorry, I can't. I
9 do not know the answer. I do not know whether this is a
10 redacted document or an unredacted. I would have to check
11 my notes.

12 MR. SOUTHARD: We can certainly work on that and
13 come to an agreement before we begin Phase 3.

14 JUDGE SIPPEL: All right. Well, let's leave that
15 open then. I am going to reserve on 70. I mean, it is
16 going to come in. It's just a question of what form it
17 comes in on. And 71?

18 MR. COLE: Your Honor, I would like to have marked
19 for identification as Adams Number 71 a three-page document
20 consisting of a one-page letter from Mr. Howard Gilbert to
21 Mr. Steven J. Lubas, L-U-B-A-S, dated December 20, 1996.
22 And page 2 of this is a one-page letter from Mr. Lubas to
23 Mr. Gilbert dated December 17, 1996.

24 And the third page of the document is a check
25 payable to Conestoga Telephone Company on the account of

1 Adams Communications Company dated December 20, 1996. I
2 would like to have these -- this three-page document marked
3 for identification as Adams 71.

4 JUDGE SIPPEL: All right. The Reporter shall so
5 mark that document as Adams Exhibit 71 for identification.
6 Mr. Southard, any objection?

7 (The document referred to was
8 marked for identification as
9 Adams Exhibit No. 71.)

10 MR. SOUTHARD: Only as to page 1. Page 1 appears
11 to be a file copy. I believe there is a full copy on Holleb
12 and Kauf letterhead that is signed by Mr. Gilbert.

13 MR. COLE: That may be, but that wasn't in our
14 files.

15 JUDGE SIPPEL: Well, we are not going to -- we are
16 not expecting that there is going to be any dispute that
17 this is a genuine document. Mr. Gilbert is going to be on
18 the stand. I think that is --

19 MR. SOUTHARD: If this is the copy they want to
20 use, I am fine with that.

21 JUDGE SIPPEL: Anyway, you do not have any
22 objection to 71, is that right?

23 MR. SOUTHARD: No.

24 JUDGE SIPPEL: Seventy-one is received in evidence
25 as Adams 71 as described by Mr. Cole. Exhibit 72?

1 (The document marked for
2 identification as Adams
3 Exhibit No. 71 was received in
4 evidence.)

5 MR. COLE: Mr. Reporter, are you ready to roll?
6 Your Honor, I would like to have marked for identification
7 as Adams Number 72 a document two pages in length which is a
8 letter on the letterhead of American National Bank and Trust
9 Company of Chicago from Daniel G. Watts, Vice President,
10 addressed to Mr. Robert L. Haag, dated June 23, 1994. I
11 would like to have that marked as Adams Number 72.

12 JUDGE SIPPEL: A two-page document. It is to be
13 marked as you have described it.

14 MR. COLE: Thank you, Your Honor.

15 JUDGE SIPPEL: Any objection?

16 MR. SOUTHARD: No objection.

17 JUDGE SIPPEL: It is received in evidence as Adams
18 Exhibit 72.

19 (The document referred to was
20 marked for identification as
21 Adams Exhibit No. 72 and
22 received in evidence.)

23 MR. COLE: Thank you, Your Honor.

24 JUDGE SIPPEL: And 73.

25 MR. COLE: Your Honor, I would like to have marked

1 for identification as Adams 73 a letter, one page in length,
2 from Mr. Garrison C. Cavell to Harry Cole dated June 29,
3 1994.

4 JUDGE SIPPEL: The Reporter will so mark that one-
5 page document as Adams 73 for identification. Any
6 objection, Mr. Southard?

7 MR. SOUTHARD: No objection.

8 JUDGE SIPPEL: Seventy-three is received.
9 Seventy-four.

10 (The document referred to was
11 marked for identification as
12 Adams Exhibit No. 73 and
13 received in evidence.)

14 MR. COLE: Your Honor, I would like to have marked
15 for identification as Adams Number 74 a three-page document
16 consisting of a two-page letter from Garrison C. Cavell to
17 Howard W. Gilbert. And the third page is a map entitled,
18 "TV Channel 51, Reading, Pennsylvania Allocation Study."
19 The letter from Mr. Cavell to Mr. Gilbert is dated March
20 23rd, 1994. I would like that marked for identification as
21 Adams Number 74, please.

22 JUDGE SIPPEL: Okay. That document will be marked
23 as Adams 74 for identification. Any objection?

24 MR. SOUTHARD: No objection, Your Honor.

25 JUDGE SIPPEL: It is received in evidence as Adams

1 74.

2 (The document referred to was
3 marked for identification as
4 Adams Exhibit No. 74 and
5 received in evidence.)

6 MR. COLE: Thank you, Your Honor.

7 JUDGE SIPPEL: Seventy-five.

8 MR. COLE: Your Honor, I would like to have marked
9 for identification as Adams 75 a 23-page document consisting
10 of a one-page transmittal letter from M.N. Swanson to Harry
11 F. Cole, Esquire, dated June 3rd, 1999. And then there is -
12 - that is accompanied by and transmitted to Mr. Cole a
13 facsimile page from Bond and Precaro, Inc. To Ann Swanson
14 dated June 2nd, 1999, which in turn was followed by a 21-
15 page letter from Bond and Precaro to Ms. Swanson dated June
16 2nd, 1999. And I would like this package of 23 pages to be
17 marked for identification as Adams Number 75.

18 JUDGE SIPPEL: That document will be so marked as
19 Adams 75 for identification. Any objection?

20 MR. SOUTHARD: No objection, Your Honor.

21 JUDGE SIPPEL: It is received in evidence.

22 (The document referred to was
23 marked for identification as
24 Adams Exhibit No. 75 and
25 received in evidence.)

1 MR. COLE: Thank you, Your Honor.

2 JUDGE SIPPEL: This I take it is the -- this is
3 the product, right, of the --

4 MR. COLE: That's the appraisal.

5 JUDGE SIPPEL: -- appraisal.

6 MR. COLE: This is the appraisal. They rolled in
7 the fax machine.

8 JUDGE SIPPEL: And one-third -- the \$5,000.00 was
9 one-third to Adams and one-third to Reading and one-third --
10 what was the other third?

11 MR. COLE: All I know is that --

12 JUDGE SIPPEL: Wait a minute. Yes?

13 MR. COLE: All I know is that Adams understood
14 that they were paying one-third the cost. I don't know who
15 else is paying the other two-thirds. And as far as who the
16 third party was, that was undisclosed -- well, Ms. Swanson
17 will testify to this I suspect. It was -- my recollection
18 is that there was an undisclosed -- she did not identify who
19 her client was.

20 But -- and if you read the appraisal, the
21 appraisal appears to start off with an anonymous client. By
22 the end, somewhere toward page -- or actually, no, it is
23 page 13, it appears that the client is identified as
24 Telemundo.

25 JUDGE SIPPEL: All right. So that accounts for

1 two.

2 MR. COLE: Yes.

3 JUDGE SIPPEL: What about the third one?

4 MR. COLE: I was under the assumption that it was
5 Reading Broadcasting, but I do not have any information on
6 that.

7 JUDGE SIPPEL: Okay. And that takes care of 75.
8 Seventy-six?

9 MR. COLE: Seventy-six, Your Honor, I would like
10 to have marked for identification as Adams 76 a two-page
11 document consisting of a one-page letter from Paul Sherwood
12 to Howard W. Gilbert. It appears to be undated. And
13 accompanying that is a check payable to Mr. Sherwood on
14 Adams Communications Company account dated June 8, 1994. I
15 would like these two pages to be identified as Adams Number
16 76, please.

17 JUDGE SIPPEL: All right. That document will be
18 so marked for identification as you have described it.

19 MR. COLE: Thank you, Your Honor.

20 JUDGE SIPPEL: Any objection?

21 MR. SOUTHARD: No objection.

22 JUDGE SIPPEL: And 76 as identified is received
23 into evidence as Adams Exhibit Number 76.

24 (The document referred to was
25 marked for identification as

1 Adams Exhibit No. 76 and
2 received in evidence.)

3 MR. COLE: Thank you, Your Honor.

4 JUDGE SIPPEL: Number 77.

5 MR. COLE: Your Honor, I would like to have marked
6 for identification as Adams Number 77 a four-page document
7 consisting of a one-page letter from Paul Sherwood. It is
8 not signed. But through the context of the letter, it
9 indicates that it is from Paul Sherwood to Howard Gilbert
10 dated July 5, 1994. And there accompanies that two pages of
11 what appear to be spreadsheets which are described to some
12 degree in -- well, strike that.

13 They are not. They are not described. They were
14 as I understand it provided with this letter to Mr. Gilbert
15 by Mr. Sherwood. And there is -- a fourth page of this
16 document is a check payable to Mr. Sherwood on Adams
17 Communications Company's -- Corporation's account, dated
18 July 21, 1994. I would like these four pages to be marked
19 for identification as Adams Number 77, please.

20 JUDGE SIPPEL: Okay. That will be so marked as
21 Adams 77, four pages. Any objection?

22 MR. SOUTHARD: No. No objection.

23 JUDGE SIPPEL: Thank you, Mr. Southard. Seventy-
24 seven is received in evidence as Adams Exhibit 77, a four-
25 page document. Does that conclude the documents?

1 (The document referred to was
2 marked for identification as
3 Adams Exhibit No. 77 and
4 received in evidence.)

5 MR. COLE: That concludes our documents as
6 exchanged, Your Honor.

7 JUDGE SIPPEL: And Reading is all -- yours is all
8 in.

9 MR. HUTTON: Yes, sir.

10 JUDGE SIPPEL: Okay. Well, that's -- that was
11 very fine, efficient business. I don't know what you are
12 complaining about, Mr. Shook. This thing is moving right
13 along. All right.

14 What we are going to -- I would just ask that --
15 just discount -- I mean, Judge Steinburg accurately reported
16 to you what I had said, my comment was. And I would just
17 ask that you just discount it. That's all. You go ahead
18 and do -- you know, you put together what you feel is
19 appropriate to put together if it can be done. But as far
20 as I am concerned, I am here to hear a case. And we are
21 going to keep it on schedule to the extent that we can do
22 that.

23 We are in recess until 9:30 tomorrow morning.
24 Thank you very much.

25 MR. COLE: I thought it was 10:00.

1 MR. HUTTON: Ten o' clock.

2 MR. COLE: Your order said 10:00 and I told Mr.
3 Bendetti 10:00.

4 JUDGE SIPPEL: Then we will be -- does anybody
5 want to start earlier? Let's start at 10:00. Very fine.
6 Thank you.

7 MR. COLE: Thank you, Your Honor.

8 MR. HUTTON: Thank you, Your Honor.

9 MR. SOUTHARD: Thank you.

10 (Whereupon, at 12:02 a.m. on Monday, June 12,
11 2000, the hearing in the above-entitled matter was adjourned
12 until , at 10:00 a.m. on Tuesday, June 13, 2000.)

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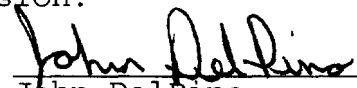
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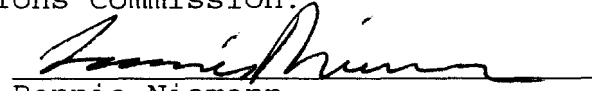
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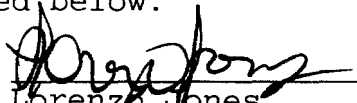
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